

REFERENCE TITLE: **truth in budgeting amendment**

State of Arizona
Senate
Forty-seventh Legislature
Second Regular Session
2006

SCR 1027

Introduced by
Senator Martin

A CONCURRENT RESOLUTION

PROPOSING AMENDMENTS TO THE CONSTITUTION OF ARIZONA; AMENDING ARTICLE IX,
SECTIONS 3, 4 AND 5, CONSTITUTION OF ARIZONA; RELATING TO STATE BUDGETING.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it resolved by the Senate of the State of Arizona, the House of
2 Representatives concurring:

3 1. Article IX, section 3, Constitution of Arizona, is proposed to be
4 amended as follows if approved by the voters and on proclamation of the
5 Governor:

6 3. Truth in budgeting: balanced budget requirement:
7 taxes for payment of expenses and debts; tax
8 laws; payment of taxes into state treasury

9 Section 3. A. THE LEGISLATURE SHALL ENSURE THAT:

10 1. THE STATE'S ANNUAL BUDGET IS BALANCED.

11 2. CASH BALANCES AT THE END OF ANY FISCAL YEAR ARE AT
12 LEAST ONE PER CENT OF THE FISCAL YEAR STATE GENERAL FUND
13 BALANCE.

14 3. OBLIGATIONS FOR STATE OPERATIONS DO NOT EXCEED ONGOING
15 OR PERMANENT STATE REVENUES.

16 4. ONGOING OBLIGATIONS OF THE STATE ARE NOT DEFERRED IN
17 WHOLE OR IN PART TO ANOTHER FISCAL YEAR.

18 B. CASH BALANCES AT THE END OF ANY FISCAL YEAR ARE NOT
19 CONSIDERED TO BE PERMANENT REVENUES.

20 C. The legislature shall provide by law for an annual tax
21 sufficient, with other sources of revenue, to defray the
22 necessary ordinary expenses of the state for each fiscal
23 year. And for the purpose of paying the state debt, if there be
24 any, the legislature shall provide for levying an annual tax
25 sufficient to pay the annual interest and the principal of such
26 debt within twenty-five years from the final passage of the law
27 creating the debt.

28 D. No tax shall be levied except in pursuance of law, and
29 every law imposing a tax shall state distinctly the object of
30 the tax, to which object only it shall be applied.

31 E. All taxes levied and collected for state purposes
32 shall be paid into the state treasury ~~in money only~~.

33 2. Article IX, section 4, Constitution of Arizona, is proposed to be
34 amended as follows if approved by the voters and on proclamation of the
35 Governor:

36 4. Fiscal year; annual statement of receipts and
37 expenditures

38 Section 4. A. The fiscal year shall commence on the
39 first day of July in each year.

40 B. An accurate statement of the receipts and expenditures
41 of the public money shall be published annually, in such manner
42 as shall be provided by law. ~~Whenever the expenses of any~~
~~fiscal year shall exceed the income, the legislature may provide~~
~~for levying a tax for the ensuing fiscal year sufficient, with~~

1 ~~other sources of income, to pay the deficiency, as well as the~~
2 ~~estimated expenses of the ensuing fiscal year.~~

3 3. Article IX, section 5, Constitution of Arizona, is proposed to be
4 amended as follows if approved by the voters and on proclamation of the
5 Governor:

6 5. Power of state to contract debts: purposes; limit;
7 restrictions

8 Section 5. A. The state may contract debts to supply ~~the~~
9 ~~casual deficits or~~ failures in revenues, or to meet expenses not
10 otherwise provided for; but the aggregate amount of such debts,
11 direct and contingent, whether contracted by virtue of one or
12 more laws, or at different periods of time, shall never exceed
13 the sum of three hundred and fifty thousand dollars; and the
14 money arising from the creation of such debts shall be applied
15 to the purpose for which it was obtained or to repay the debts
16 so contracted, and to no other purpose.

17 B. In addition to the above limited power to contract
18 debts the state may borrow money to repel invasion, suppress
19 insurrection, or defend the state in time of war; but the money
20 thus raised shall be applied exclusively to the object for which
21 the loan shall have been authorized or to the repayment of the
22 debt thereby created.

23 C. No money shall be paid out of the state treasury,
24 except in the manner provided by law.

25 4. Short title

26 This measure shall be known and may be cited as the "Truth in Budgeting
27 Amendment of 2006".

28 5. The Secretary of State shall submit this proposition to the voters
29 at the next general election as provided by article XXI, Constitution of
30 Arizona.